FILED
JANICE K. BREWER
SECRETARY OF STATE

State of Arizona House of Representatives Forty-seventh Legislature Second Regular Session 2006

CHAPTER 350

HOUSE BILL 2870

AN ACT

AMENDING SECTIONS 15-1642, 41-1352 AND 44-309, ARIZONA REVISED STATUTES; AMENDING LAWS 2005, CHAPTER 1, SECTION 3; MAKING APPROPRIATIONS; RELATING TO STATE GOVERNMENT BUDGET RECONCILIATION.

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Be it enacted by the Legislature of the State of Arizona: Section 1. Section 15-1642, Arizona Revised Statutes, is amended to read:

15-1642. <u>Financial aid trust fund: aid to students with</u> verifiable financial need: endowment

- A. The Arizona board of regents may establish a financial aid trust fund for the purposes of providing immediate aid to students with verifiable financial need, including students who are underrepresented in the population of university students or who by virtue of their special circumstances present unique needs for financial aid, and creating an endowment for future financial aid. Subject to the limitations provided in subsection B, paragraph 3, the board may assess a surcharge upon registration fees paid by students for deposit in the fund.
- B. The board shall adopt rules to govern the financial aid trust fund, including the following:
- 1. Fifty TWENTY-FIVE per cent of the monies received each year shall be placed in the trust fund as a permanent endowment. The remaining monies received shall be used for immediate aid for students with verifiable financial need. At least fifty per cent of the immediate aid monies shall be used for grant aid.
- 2. The immediate aid monies shall be distributed to the universities on a pro rata basis based on relative student contributions to the fund.
- 3. The surcharge on student registration shall not exceed one per cent of the registration fee for students taking more than six credit surcharge hours. The surcharge hours for students taking fewer than seven credit hours shall equal one-half the surcharge assessed students taking more than six credit hours.
- C. Monies EACH DOLLAR raised pursuant to the surcharge on student registration shall be matched by monies TWO DOLLARS appropriated by the legislature.
- D. The board shall report every three years to the legislature on the status of the financial aid trust fund. The report shall include the use to which the monies have been put and the impact of such use.
- E. Fund monies shall only be used in university assistance programs approved by the board and such monies shall be in addition to, and not in replacement of, existing state or institutional financial aid monies. Assistance may be provided to full-time or part-time students. Monies appropriated by this state shall not be used to provide assistance to students who are not residents of this state.
 - Sec. 2. Section 41-1352, Arizona Revised Statutes, is amended to read: 41-1352. <u>Historical advisory commission: membership: terms:</u>

expenses: duties: historic sites review committee

A. A historical advisory commission is established consisting of members appointed by the director for staggered terms of three years ending on July 1. The commission membership of not less than ten nor more than

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twenty members shall consist of experts in the disciplines of history, arts and culture, architecture and archaeology, professional librarians and archivists or persons otherwise associated with the interpretation, research, writing, preservation or teaching of this state's heritage, including the Indian nations' history and heritage, and the director of the Arizona historical society, the director of the state museum, the director of the Arizona state parks board and the state historic preservation officer.

- B. Members shall serve without compensation but those employed by the state shall be reimbursed for travel and subsistence by the department or agency they represent AND THOSE WHO ARE NOT EMPLOYED BY THE STATE ARE ELIGIBLE FOR REIMBURSEMENT OF EXPENSES BY THE COMMISSION PURSUANT TO TITLE 38, CHAPTER 4, ARTICLE 2.
 - C. The commission shall:
- 1. Advise the legislature and state agencies on matters relating to this state's history and historic preservation.
- 2. Recommend measures to the legislature and state agencies to coordinate or improve the effectiveness of activities of state agencies and agencies of the political subdivisions of this state and other persons relating to the interpretation, research, writing and teaching of this state's history, heritage and historic preservation, including the Indian nations' history, heritage and preservation.
- 3. Advise the legislature and state agencies on the dissemination of information pertaining to activities relating to historic preservation as provided in paragraph 2.
- 4. Encourage, in cooperation with appropriate public and private agencies, the Indian nations and other persons, training and education in the field of the interpretation, research, writing and teaching of this state's history, heritage and historic preservation.
- 5. Submit annually on September 30 a report of the commission's activities to the director for inclusion in the annual report of the state library.
- established to serve as a standing committee of the historical advisory commission. The state historic preservation officer shall appoint committee members for staggered terms of three years ending on July 1. The state historic preservation officer may appoint persons other than commission members to serve on the committee and shall appoint at least five persons who are professionals qualified in the disciplines of history, prehistoric and historic archaeology, architectural history or architecture. The committee shall select annually at the first meeting a chairman who is a commission member. The chairman shall report on committee activities at commission meetings. The committee shall assist in the duties prescribed in this section and by federal law, review nominations to the national and state historic registers, provide general advice and guidance to the state historic preservation officer and perform other duties as are necessary. On or before

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September 1 of each year, the state historic preservation officer shall submit a report of the committee's activities to the governor, the president of the senate, the speaker of the house of representatives and the director, including information prescribed in sections 41-862 and 41-881.

Sec. 3. Section 44-309, Arizona Revised Statutes, is amended to read: 44-309. Notice and publication of abandoned property

- A. The department shall publish a notice not later than November 30 of the year after the year in which AT LEAST SEMIANNUALLY WITH A TOLL FREE TELEPHONE NUMBER AND DIRECTING THE PUBLIC TO THE DEPARTMENT'S WEB SITE REGARDING abandoned property THAT has been paid or delivered to the The department shall cause the notice to be published in a newspaper of general circulation in the EACH county. in which the last known address of any person named in the notice is located. If a holder does not report an address for the apparent owner or the address is outside this state, the department shall cause the notice to be published in the county in which the holder has its principal place of business within this state or another county that the department reasonably selects. The department shall ensure that the notice is in a form that in the judgment of the department is likely to attract the attention of the apparent owner of the unclaimed The notice DEPARTMENT'S WEB SITE shall contain all of the following information NOT LATER THAN NOVEMBER 30 OF THE YEAR AFTER THE YEAR IN WHICH ABANDONED PROPERTY HAS BEEN PAID OR DELIVERED TO THE DEPARTMENT:
- 1. The name of each person that appears to be the owner of the property as stated in the report filed by the holder.
- 2. The last known address or location of each person that appears to be the owner of the property, if an address or location is stated in the report filed by the holder.
- 3. A statement that explains that the property of the owner is presumed abandoned and is in the protective custody of the department.
- 4. A statement that on request to the department information about the property and its return to the owner is available to a person who has a legal or beneficial interest in the property.
- B. The department is not required to publish a notice of DEPARTMENT'S WEB SITE IS NOT REQUIRED TO CONTAIN the name, address or location of an owner of property that has a total value of less than fifty dollars or information concerning a traveler's check, money order or similar instrument.
- C. In addition to the publication required in subsection A, the department shall cause to be published in a newspaper or newspapers of general circulation in this state a series of display advertisements.
 - Sec. 4. Laws 2005, chapter 1, section 3 is amended to read:
 - Sec. 3. Arizona centennial 2012
- A. The historical advisory commission shall develop and coordinate a statewide plan regarding this state's centennial in 2012. The plan shall include the following:

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- 1. Advising the legislature and state agencies on centennial history and heritage, arts and culture and related activities.
- 2. Assisting the governor's countdown to the centennial to support school children learning about this state's history.
- 3. Recommending AND FUNDING activities and projects that will ensure lasting legacy accomplishments to commemorate the centennial.
- B. Pursuant to section 41-1336, Arizona Revised Statutes, the director of the Arizona state library, archives and public records THE HISTORICAL ADVISORY COMMISSION may accept and spend public and private appropriations, grants, gifts, contributions and devises to assist in carrying out this section. THE HISTORICAL ADVISORY COMMISSION MAY ACCEPT AND SPEND GRANTS, GIFTS, CONTRIBUTIONS AND DEVISES TO CONTRACT FOR ADMINISTRATIVE AND CLERICAL STAFF, PROFESSIONAL AND ADMINISTRATIVE EXPERTS AND OTHER STAFF AS NECESSARY TO ENABLE THE COMMISSION TO CARRY OUT THIS SECTION.

Sec. 5. Bill of Rights commemorative monument: procedures

- A. Pursuant to section 41-1363, subsection A, Arizona Revised Statutes, this section authorizes the department of administration to provide for the placement of a monument dedicated to the commemoration of the federal Bill of Rights in Wesley Bolin plaza.
- B. The procedures prescribed in section 41-1363, subsection B, Arizona Revised Statutes, apply to the establishment of the monument.
- C. No public monies are authorized for the costs of the monument. All fund-raising and contracts for artistic design and construction of the monument are the sole responsibility of the proponents. This state shall not facilitate fund-raising or establish a state fund for the deposit of the monies.

Sec. 6. <u>Delayed repeal</u>

Section 5 of this act, relating to the Bill of Rights commemorative monument, is repealed from and after September 30, 2009.

Sec. 7. <u>Appropriation: centennial celebration: matching monies: condition: exemption</u>

- A. The sum of \$2,500,000 is appropriated from the state general fund in fiscal year 2006-2007 to the legislative council for a statewide plan, activities and projects relating to the Arizona centennial celebration.
- B. Monies from the appropriation made in subsection A of this section shall not be spent except on an affirmative vote of the legislative council. Monies from the appropriation made in subsection A of this section shall not be spent until a matching amount of \$5,000,000 from sources other than the state of gifts, grants and donations is collected by the historical advisory commission and deposited in an Arizona centennial account in the office of the state treasurer. The state treasurer shall invest and divest monies in the account as provided by section 35-313, Arizona Revised Statutes, and monies earned from investment shall be credited to the account.
- C. Monies from gifts, grants and donations may be spent by the historical advisory commission as they are collected, but an accounting shall

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be made by the commission to the legislative council to determine qualification for the state match.

- D. Monies in the Arizona centennial account shall be spent and granted by the historical advisory commission only for the development and coordination of the statewide plan and the funding of activities and projects relating to the Arizona centennial celebration.
- E. The appropriation made in subsection A of this section is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations until June 30, 2013.

Sec. 8. <u>Department of administration</u>; <u>employee wellness</u> <u>program; appropriation</u>

The sum of \$500,000 is appropriated from the state general fund in fiscal year 2006-2007 to the department of administration for one-time funding for an employee wellness program.

Sec. 9. AHCCCS; 211 phone system; appropriation

The sum of \$1,900,000 and 5 full-time equivalent positions are appropriated from the state general fund in fiscal year 2006-2007 to the Arizona health care cost containment system for the 211 phone system. Of the \$1,900,000, \$900,000 shall be used for one-time expenditures.

Sec. 10. AHCCCS: imaging: appropriation

The sum of \$200,000 from the state general fund and \$200,000 in federal expenditure authority are appropriated in fiscal year 2006-2007 to the Arizona health care cost containment system for imaging system equipment.

Sec. 11. AHCCCS: computer system planning: appropriation

The sum of \$200,000 from the state general fund and \$1,800,000 in federal expenditure authority are appropriated in fiscal year 2006-2007 to the Arizona health care cost containment system for one-time computer system replacement planning. This appropriation does not obligate the legislature to increase funding for this purpose in future years.

Sec. 12. Arizona health care cost containment system: eligibility workers: appropriation

The sum of \$5,200,000 and 28.8 full-time equivalent positions from the state general fund and \$5,200,000 and 28.8 full-time equivalent positions in federal expenditure authority are appropriated in fiscal year 2006-2007 to the Arizona health care cost containment system for additional staff to verify citizenship in accordance with the federal deficit reduction act in order to prevent ineligible applicants from receiving services. The monies shall be allocated as follows:

1. The sum of \$1,800,000 and 28.8 full-time equivalent positions from the state general fund and \$1,800,000 and 28.8 full-time equivalent positions in federal expenditure authority to the DES eligibility and proposition 204 - DES eligibility special line items. The DES eligibility special line item shall receive \$1,045,800 and 16.7 full-time equivalent positions from the state general fund and \$1,045,800 and 16.7 full-time equivalent positions in federal expenditure authority. The proposition 204 - DES eligibility

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special line item shall receive \$754,200 and 12.1 full-time equivalent positions from the state general fund and \$754,200 and 12.1 full-time equivalent positions in federal expenditure authority:

2. The sum of \$3,400,000 from the state general fund and \$3,400,000 in federal expenditure authority to the DES eligibility and proposition 204 - DES eligibility special line items. The one-time monies may be used to hire temporary staff. The DES eligibility special line item shall receive \$1,975,400 from the state general fund and \$1,975,400 in federal expenditure authority. The proposition 204 - DES eligibility special line item shall receive \$1,424,600 from the state general fund and \$1,424,600 in federal expenditure authority.

Sec. 13. Attorney general: base restoration: appropriation

The sum of \$500,000 is appropriated from the state general fund in fiscal year 2006-2007 to the attorney general for operating expenditures.

Sec. 14. Attorney general: case management redesign:

<u>appropriation</u>

- A. The sum of \$1,000,000 is appropriated from the state general fund in fiscal year 2006-2007 to the attorney general for one-time funding of the third year of the case management system redesign.
- B. In addition to any other appropriation, the appropriation from the consumer fraud revolving fund in fiscal year 2006-2007 in the attorney general budget is reduced by \$720,300.

Sec. 15. Attorney general: appropriation

The sum of \$1,300,000 and 18 full-time equivalent positions are appropriated from the state general fund in fiscal year 2006-2007 to the attorney general for the prosecution of crimes related to drug trafficking, human trafficking, and identity theft.

Sec. 16. <u>State treasurer: community college out-of-county</u> reimbursement: appropriation

A. The sum of \$1,000,000 is appropriated from the state general fund in fiscal year 2006-2007 to the state treasurer for distribution to the following counties:

1. Apache County \$466,000
2. Greenlee County \$382,800
3. Santa Cruz County \$151,200

B. Monies appropriated by this section are to provide one-time state funding to reduce the community college out-of-county reimbursement obligation pursuant to section 15-1469, Arizona Revised Statutes.

Sec. 17. <u>Department of corrections: one-time equipment monies:</u> appropriation

The sum of \$1,000,000 is appropriated from the state general fund in fiscal year 2006-2007 to the state department of corrections for one-time equipment monies.

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Sec. 18. <u>Department of economic security: children services:</u> appropriations

- A. The sum of \$14,420,000 is appropriated from the state general fund in fiscal year 2006-2007 to the department of economic security for the following purposes:
- 1. An increase of \$8,032,700 for the children support services special line item.
- 2. An increase of \$6,126,400 for the foster care placement special line item.
- 3. An increase of \$260,900 for the residential placement special line item.
- B. In addition to any other appropriation, \$2,705,700 of state general fund monies appropriated to the emergency placement special line item is reallocated to the residential placement special line item in fiscal year 2006-2007.

Sec. 19. <u>Department of economic security; summer youth</u> education and training; appropriation

The sum of \$1,000,000 is appropriated from the state general fund in fiscal year 2006-2007 to the department of economic security for summer youth employment and training pursuant to section 11-1042, Arizona Revised Statutes.

Sec. 20. <u>Department of economic security: Navajo senior center:</u> appropriation

The sum of \$350,000 is appropriated from the state general fund in fiscal year 2006-2007 to the department of economic security for distribution to the Navajo Tribe as one-time funding for senior citizen centers.

Sec. 21. DES: adult protective services: appropriation

The sum of \$1,500,000 and 30 full-time equivalent positions are appropriated from the state general fund in fiscal year 2006-2007 to the department of economic security for adult protective services workers in order to investigate one hundred per cent of reports received.

Sec. 22. DES: adult independent living services: appropriation

The sum of \$2,300,000 is appropriated from the state general fund in fiscal year 2006-2007 to the department of economic security for adult independent living services.

Sec. 23. <u>Department of economic security; grandparent kinship care; appropriation</u>

- A. The sum of \$1,000,000 is appropriated from the state general fund in fiscal year 2006-2007 to the department of economic security as a one-time appropriation for a grandparent kinship care program.
- B. The department of economic security shall use monies appropriated in subsection A for payment of the following expenses, if the kinship caregiver is the child's grandparent:
- 1. Clothing and personal allowances not to exceed seventy-five dollars per child per month.

- 2. One-time transitional assistance not to exceed three hundred dollars per child to help cover the cost of additional beds and furniture and other necessary expenses related to transitioning the child into the grandparent's home. Before the department provides this assistance, the grandparent must submit written receipts to the department for each purchase.
- C. Monies in subsection A of this section are exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, until June 30, 2008.

Sec. 24. <u>Department of economic security: developmentally</u> disabled dental pilot program: appropriation

- A. The sum of \$1,000,000 is appropriated from the state general fund to the department of economic security in fiscal year 2006-2007 in one-time funding for a dental pilot program administered by a dental school located in a county with a population of more than one million five hundred thousand persons. The pilot program shall be the payer of last resort and serve adults who qualify to receive other services under title XIX of the social security act and receive developmentally disabled services through the department of economic security and who are at or below two hundred fifty per cent of the federal poverty guidelines. Of the \$1,000,000 appropriation, \$925,000 is appropriated for dental services and \$75,000 is appropriated for transportation services.
- B. Monies in subsection A of this section are exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, until June 30, 2008.

Sec. 25. <u>Department of education</u>; <u>mentor training</u>; appropriation

The sum of \$1,000,000 is appropriated from the state general fund in fiscal year 2006-2007 to the department of education for distribution to the state board of education, which will distribute the monies to the Arizona K-12 center for program implementation and mentor training for the Arizona master teacher program as prescribed by the state board of education.

Sec. 26. <u>Department of environmental quality: small rural water</u> <u>systems grants: appropriation</u>

The sum of \$750,000 is appropriated from the state general fund in fiscal year 2006-2007 to the department of environmental quality for one-time grants to interim operators or managers of small rural water systems that have been approved by the Arizona corporation commission. The Arizona water infrastructure finance authority shall administer the small rural water system program.

Sec. 27. <u>Government information technology agency: e-health initiative: appropriation</u>

The sum of \$1,500,000 is appropriated from the state general fund in fiscal year 2006-2007 to the government information technology agency to provide information technology grants for rural health care providers.

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Sec. 28. <u>Department of health services; vaccines;</u> appropriation

The sum of \$4,400,000 is appropriated from the state general fund in fiscal year 2006-2007 to the department of health services for the purpose of providing additional vaccines in the vaccines special line item.

Sec. 29. <u>Department of health services: rural modular dental</u> buildings: appropriation

The sum of \$200,000 is appropriated from the state general fund in fiscal year 2006-2007 to the department of health services for the purpose of providing rural modular dental buildings to address the shortage of dental providers in rural areas.

Sec. 30. <u>Department of health services: high risk perinatal</u> services: <u>appropriation</u>

The sum of \$1,800,000 is appropriated from the state general fund in fiscal year 2006-2007 to the department of health services for the purpose of providing an increase in funding for the high risk perinatal services special line item.

Sec. 31. <u>Department of health services: licensing services:</u> appropriation

The sum of \$400,000 and 8.5 full-time equivalent positions are appropriated from the state general fund and \$36,000 in federal expenditure authority is appropriated in fiscal year 2006-2007 to the department of health services to the assurance and licensure special line item for child care licensure costs.

Sec. 32. <u>Department of health services: teratogen funding:</u> appropriation

The sum of \$60,000 is appropriated from the state general fund in fiscal year 2006-2007 to the department of health services for teratogen related services provided by the university of Arizona.

Sec. 33. <u>Department of health services</u>; <u>laboratory services</u>; <u>appropriation</u>

The sum of \$520,000 and 4.6 full-time equivalent positions are appropriated from the state general fund in fiscal year 2006-2007 to the department of health services for laboratory services costs. The monies are to be distributed as follows:

- 1. \$400,000 and 3.6 full-time equivalent positions for costs at the state laboratory in Phoenix.
- 2. \$120,000 and 1.0 full-time equivalent position for costs at the laboratory in Flagstaff.

Sec. 34. <u>Department of health services: seriously mentally ill</u> housing: appropriation

The sum of \$2,500,000 is appropriated from the state general fund to the department of health services in fiscal year 2006-2007 in one-time funding for housing costs for the seriously mentally ill population in Maricopa county.

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Sec. 35. <u>Department of health services</u>; <u>diabetes education</u>; <u>appropriation</u>

The sum of \$1,000,000 is appropriated from the state general fund in fiscal year 2006-2007 to the department of health services in one-time funding for diabetes education.

Sec. 36. <u>Department</u> of revenue; <u>business</u> re-engineering/integrated tax system operational support; appropriation

The sum of \$1,200,000 is appropriated from the state general fund in fiscal year 2006-2007 to the department of revenue for operational support of the business re-engineering/integrated tax system.

Sec. 37. Arizona board of regents; financial aid trust fund:
appropriation

The sum of \$5,000,000 is appropriated from the state general fund in fiscal year 2006-2007 to the Arizona board of regents for deposit in the financial aid trust fund to meet the requirements of section 15-1642, Arizona Revised Statutes, as amended by this act.

Sec. 38. Arizona university system; virtual water university; appropriation

- A. The sum of \$1,500,000 and 15 full-time equivalent positions are appropriated from the state general fund in fiscal year 2006-2007 in the following amounts:
- 1. The sum of \$500,000 and 5 full-time equivalent positions to the main campus of Arizona state university to research water issues in urban areas.
- 2. The sum of \$500,000 and 5 full-time equivalent positions to northern Arizona university to research water issues in the upper Verde watershed.
- 3. The sum of \$500,000 and 5 full-time equivalent positions to the main campus of the university of Arizona to research water issues from the perspective of earth and environmental sciences.
- B. The state universities shall use the one-time monies appropriated by this section for one-time expenditures to collaboratively improve water policy and management in the state.

Sec. 39. State web portal fund; planned expenditures; review

The joint legislative budget committee review of the government information technology agency's planned expenditures from the state web portal fund in fiscal year 2006-2007 is to occur within forty-five days of the date of receipt of the agency's request for review being received by the office of the chairman of the committee with a copy to the staff director of the committee. The agency is to respond to the committee or joint legislative budget committee staff requests for information within fifteen days of the request.

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 Sec. 40. State web portal contract; review

The joint legislative budget committee review of the government information technology agency's contract for the state web portal in fiscal year 2006-2007 is to occur within forty-five days of the date of receipt of the agency's request for review being received by the office of the chairman of the committee with a copy to the staff director of the committee. The agency is to respond to the committee or joint legislative budget committee staff requests for information within fifteen days of the request.

Sec. 41. <u>Business reengineering/integrated tax system contract</u> extension: <u>authorization</u>

To the extent that any other law requires legislative authorization, the legislature authorizes the department of revenue in fiscal year 2006-2007 to execute extensions or modifications of the current business reengineering/integrated tax system contract provided that the department of revenue submits for review by the joint legislative budget committee any contract extensions or modifications that change the dollar value of the contract.

APPROVED BY THE GOVERNOR JUNE 21, 2006.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JUNE 21, 2006.